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KERR

Approximately 500 soil samples and 1000 talus fines samples were collected over siliceous andesites to generate targets for gold mineralization. Values in the geochem survey identified 4 anomalous areas, 2 of which have been trended, 2 of which remain untested. Values in soil were up to 40 g/t for gold and values in excess of 0.5 g/t can be contoured.

948m of hand trenches were excavated, most within two areas. Best assays were 8m of 6.1 g/t Au and 8m of 4.16 g/t in 2 trenches in one zone. Other values on the order of 2 to 3 g/t Au were obtained.

3 drill holes totalling 189.9m were drilled in 2 areas. Anomalous gold was intersected in all, the best results being:

<u>HOLE</u>	<u>FM</u>	<u>TO</u>	<u>LENGTH</u>	<u>GOLD</u>	<u>SILVER</u>
KE 85-1	41.7	45.0	3.3	1.72	93.4
2	12.0	16.0	4.0	3.58	16.7
3	60.8	70.0	9.2	2.75	4.15

All measurements are in metres, metal values are grams per tonne.

GOSSAN

Gold mineralization has been found in quartz veins within andesite tuff and agglomerate and in zones rich with pyrite, sphalerite and chalcopyrite. Rock samples and soil and talus samples have identified large areas geochemically anomalous for gold and/or silver. 5 drill holes totalling 231.8m were drilled in 3 areas testing surface mineralization at depth. The best intersection was hole GO 85-3 with 74.7m (entire hole) of 1.97 g/t Au and 37.2 g/t Ag with the highest grade intersection within being 5.6m of 4.13 g/t Au and 251.6 g/t Ag.